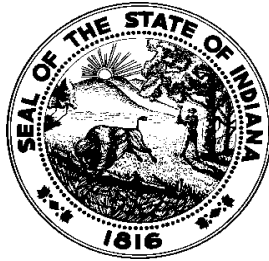


**LOCAL GOVERNMENT TAX CONTROL BOARD**



**RECOMMENDATIONS**  
**TO THE**  
**DEPARTMENT OF LOCAL GOVERNMENT FINANCE**  
**FROM**  
**APRIL 28, 2005**

## **Call To Order**

James Riehle called the April 28<sup>th</sup> 2005 Local Government Tax Control Board meeting To Order at 9:00 am. Board members present were James Riehle, Richard Eckerle, Pat McGarvey (representative from the State Board of Accounts) and Dan Eggermann (representing the Department of Local Government Finance).

## **Discussion**

Judy Robertson discussed the change in the travel reimbursement policy and the necessity to change the dates of the May and June meetings. Mr. Eckerle registered his comments on the problem that changing the meeting day has caused in finding lodging at the state reimbursable rate.

## **Recommendation**

Rich Eckerle motioned to approve the minutes from the March 24<sup>th</sup> 2005 Local Government Tax Control Board meeting. Pat McGarvey seconded and the motion carried 4-0.

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### **Madison Township, Morgan County Emergency Fire Loan**

The unit is requesting approval to obtain an emergency fire loan in the amount of \$515,355 to fund four of the eight paid stand-by positions approved by the Township and the DLGF in 2003, as well as a paramedic paid stand-by position approved by the Township Board on March 8<sup>th</sup> 2005, and other essential operating expenses of the fire department. The estimated tax rate is .1139 based on an assessed value of \$436,035,175 and an annual levy of \$496,744.

Per the following emergency loan calculation, the unit shows a need of:

January 1 <sup>st</sup> Cash Balance	\$161,593
Plus: Current Year Certified Tax Levy	\$189,492
Plus: Estimated Current Year Miscellaneous Revenues	\$440,188
Total Current Year Available Funds	\$791,273
Less: Encumbered Appropriations from Prior Year	\$0
Less: Estimated Current Year Expenditures	\$1,306,628
Funds Remaining (must be negative to qualify)	(\$515,355)

## **Taxpayer Objections:**

The date of publication for a public hearing was February 25<sup>th</sup> 2005. A Public Hearing was held and a resolution adopted March 8<sup>th</sup> 2005. The date of publication for the Notice of Determination was March 17<sup>th</sup> and 24<sup>th</sup> 2005. The remonstrance period will end April 24<sup>th</sup> 2005. The Auditor Certified No Remonstrance on April 26<sup>th</sup> 2005.

## **Attendance**

The following people attended the hearing: Rodger J. Birchfield (Township Trustee), Steve Buschmann (Attorney), Eric Reedy (Accountant), Mike Lange (Fire Chief) and Brian Reedy (Accountant).

## **Discussion**

The unit distributed a handout and discussed in detail the following information:

- Area of coverage of Madison Township and location
- Fire Stations with their apparatuses
- Major points of fire protection
- Command Structure of fire department – all firefighters are paid stand-by personnel
- Processes completed to meet statutory requirements for an emergency loan
- National Fire Protection Association (NFPA) Guidelines
- History of emergency loans
- Use of the 2005 emergency loan request
  - No new career firefighters will be added
  - Maintain current firefighter levels
  - The Township Board approved a Paramedic paid standby position
  - The Township Board approved a health insurance based on hours of service test
  - Provide funding to meet the minimum NFPA standards
- Tax rate comparison to surrounding or similar fire service areas
- Current/Upcoming major building developments
- Tax rate impact on a typical homeowner
- Comparison of budgets between 2004 and 2005
- Emergency run response increases

Questions by the Board:

James: Did you Township Board approve your request?

Answer: Yes, they are in full support.

James: Did you have any taxpayer comments?

Answer: The comments made were in support of our plans – they want us to add the paramedic service.

James: What is the population of the township?

Answer: In 2000, it was approaching 8,000; it is now probably over 11,000.

Steve Buschmann: There are no incorporated cities or towns in this township.

James: Do you charge fees?

Answer: Only for ambulance runs, when the paramedic service is added, we will charge for those runs also.

James: Is the new interstate going to pass through your township?

Answer: We do not know yet.

Dan: How do paid standby personnel's salaries and benefits differ from full-time firefighters?

Answer: The main difference is that we do not have to pay into the pension fund.

Rich: Will the levy increase you ask for in the fall take care of the situation where you will not need to ask for emergency loans anymore?

Answer: It will help, but it will not solve the problem. The township is considering going to full-time paid firefighters because of the increase in population.

James: Are the paid standby firefighters located inside a firehouse?

Answer: Yes.

Rich: Are you able to get a paramedic willing to serve?

Answer: We are about to find out – we think so. The position is posted now and we have received a few applications already.

### **Recommendation**

Dan Eggermann motioned to recommend approval to obtain an emergency fire loan in the amount of \$515,355. Richard Eckerle seconded and the motion carried 4-0.

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### **Town of New Palestine, Hancock County General Obligation Bonds**

The unit is requesting approval to issue bonds in the amount of \$519,000 for a term of fifteen (15) years. Proceeds of the bonds will be used to finance the purchase of an existing building and its renovation to be used as the new Town Hall. The estimated tax rate is .0870 based on an assessed value of \$79,420,413 and an annual levy of \$69,120. This is an uncontrolled project. The Common Construction Wage is not applicable because construction costs are less than \$150,000.

### **Taxpayer Objections:**

The date of publication for the Preliminary Notice of Determination was March 17<sup>th</sup> and 24<sup>th</sup> 2005. No other dates have been given for public hearings and a signed ordinance has not been received (only the unsigned form of ordinance was submitted). Since this is an uncontrolled project, a Notice of Determination was not published and the Remonstrance process is not applicable at this time.

### **Attendance**

The following people attended the hearing: Larry Jones (Council President), Becky Hilligoss (Clerk-Treasurer), David Book (Town Manager), Jim Treat (Financial Advisor), Jim Gutting (Bond Counsel), and Gregg Morelock (Town Attorney).

## Discussion

Their request is for approval to issue bonds to provide funds to purchase a 11,000 sq. ft. Fifth Third Bank building that is now vacant. They plan to relocate the Town Hall into this building, which will become available June 13<sup>th</sup> 2005. The Bank has offered them first call on the building. Because of the population increase in the Town, they need to provide more space for Town staff. In the future they would like to use some of the building as a Community Center.

Questions by the Board:

Rich: Did your appraisals come in above the cost of the building?

Answer: Yes, both of them.

Dan: How old is this building?

Answer: The first phase was built in 1958.

James: What has public support been like?

Answer: There has not been one negative report.

James: What is the population of the Town?

Answer: In 2000, it was 1264, it is now around 1800.

## Recommendation

Richard Eckerle motioned to recommend approval to issue general obligation bonds in the amount of \$519,000 for a term not to exceed fifteen (15) years. Pat McGarvey seconded and the motion carried 4-0.

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### Sugar Creek Township, Hancock County Emergency Fire Loan

The unit is requesting approval to obtain an emergency fire loan in the amount of \$722,978 to fund firefighter salaries, FICA, health insurance and pension payments. The estimated tax rate is .1227 based on an assessed value of \$570,710,993 and an annual levy of \$700,719.

Per the following emergency loan calculation, the unit shows a need of:

January 1 <sup>st</sup> Cash Balance	\$96,799
Plus: Current Year Certified Tax Levy	\$667,785
Plus: Estimated Current Year Miscellaneous Revenues	\$694,728
Total Current Year Available Funds	\$1,459,312
Less: Encumbered Appropriations from Prior Year	\$0
Less: Estimated Current Year Expenditures	\$2,182,290
Funds Remaining (must be negative to qualify)	(\$722,978)

### **Taxpayer Objections:**

The date of publication for a public hearing was February 26<sup>th</sup> 2005. A Public Hearing was held and a resolution adopted March 8<sup>th</sup> 2005. The date of publication for the Notice of Determination was March 12<sup>th</sup> 2005. The Auditor certified No Remonstrance on April 19<sup>th</sup> 2005.

### **Attendance**

The following people attended the hearing: Tricia Leminger (Attorney), Eric Reedy (Accountant), Myra Wilkinson (Deputy Trustee), Joe Fitzgerald (Department), D.J. Davis (Local Attorney) and C. O. Montgomery (Trustee).

### **Discussion**

The unit distributed a handout and discussed in detail the following information:

- Current/Upcoming major building developments
- Emergency run response increases
- Mutual Aid Agreements, Staffing and Services provided by Fire Department
- Use of the 2005 emergency loan request
  - Hire 4 career firefighters to meet NFPA guidelines
  - Meet increased operating expenses
- Increase in Assessed Value due to adding new areas of service
- Future needs of the Fire Department
- Comparison of responses for years 1997-2004
- Tax rate impact on a typical homeowner
- Comparison of budgets between 2004 and 2005

There has been exponential growth in the township, not only in residential development, but also in commercial and retail development. The Town Board unanimously approved the emergency loan request and there has been no remonstrance.

Questions by the Board:

James: Do all of the townships in Hancock County have fire departments?

Answer: Only two of the townships, Buck Creek and us. All the towns have fire departments.

James: Has there been any discussions to consolidate?

Answer: There have been numerous discussions, but there are too many issues right now.

James: Do you provide ambulance service also?

Answer: Yes.

Dan: Does the tax liability of \$1.48 include the increased assessed value from adding the Town's AV to the Fire AV?

Answer: Yes, it does. The resolutions have already been passed to include the Town of New Palestine into the Fire AV.

## **Recommendation**

Dan Eggermann motioned to recommend approval to obtain an emergency fire loan in the amount of \$722,978. Pat McGarvey seconded and the motion carried 4-0.

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### **Sheridan Public Library, Hamilton County Lease**

The unit is requesting approval to execute a lease in the amount of \$1,940,000 with maximum annual lease rental payments of \$175,000 for a term of twenty-two (22) years for the purpose of constructing a new 14,000 sq ft library building. The estimated tax rate is .0885 based on an assessed value of \$197,790,282 and an annual levy of \$175,000. This is an uncontrolled project. The Common Construction Wage is not applicable because of the application for federal grants; therefore, the Bacon-Davis act applies.

### **Taxpayer Objections:**

The date of publication for a Notice of Public Hearing was March 22<sup>nd</sup> 2005. A public hearing was held and a resolution adopted April 11<sup>th</sup> 2005. A Notice of Determination was not published since this is an uncontrolled project.

### **Attendance**

The following people attended the hearing: Jane Herndon (Bond Counsel), Dan Kramer (Financial Advisor), Steve Alexander (Architect), Ann Emery (Library Director), and Lisa Samuels (Library Board President).

### **Discussion**

They have done a good job in taking care of their library. It is two levels and only 4,000 sq. ft. The basement is damp and moldy and the ceiling is beginning to sag because of the weight of the shelving and books on the first floor. In order to shelve newly ordered books, they have to discard older ones. They have one restroom, located in the basement, and it is not handicapped accessible. The Children's area is located between two shelving units. Hamilton County is growing and they need to keep up with the service they provide to the community. Discussions began about an expansion or new construction in 2000. In 2002 the discussions became serious when they had to replace a leaking roof, which was completed in 2003. They sent out surveys and fliers and received a big response back. It has taken them two years to find a suitable site. A new building is necessary because they are landlocked and have no space to expand. They have found a two-acre site and was able to purchase it outright. They have never had to borrow money for any improvements previously made; they have been able to obtain donations and grants to complete projects. The Town Council is very supportive of our plans and the community has been involved in discussions about needs. The current building is a historic site and they have a buyer ready to purchase the building and maintain the historic value of it.

Questions by the Board:

Rich: What is the square footage of the new building?

Answer: They are increasing from 4,000 to about 12-14,000 sq. ft. The current population is under 5,000 and they serve all of Adams Township. The site they purchased could support another 10,000 sq. ft. expansion in the future if they need to.

Dan: Will your operating fund support the increased expenses of tripling your sq. footage?

Answer: The new building will require the same or less staffing than what they have now. The increased efficiency in having new mechanical equipment will offset any increase in operating costs.

James: Was there any opposition?

Answer: About five farmers opposed. They asked us if we could make the library smaller and save them taxes— that was over a year ago.

The architect then went over the scaled model of the new building and pointed out points of interest in the design, which includes keeping the concept of a fireplace inside the library.

### **Recommendation**

Richard Eckerle motioned to recommend approval to execute a lease in the amount of \$1,940,000 with maximum annual lease payment not to exceed \$175,000 for a term not to exceed twenty-two (22) years. Dan Eggermann seconded and the motion carried 4-0.

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### **Town of Plainfield, Hendricks County Lease**

The unit is requesting approval to execute a lease with maximum annual lease rental payments in the amount of \$1,585,000 for a term of twenty (20) years for the purpose of right-of-way acquisition, road improvements and construction, improvements to existing intersections, and the construction of water and sewer lines; to create and improve infrastructure in support of the proposed Plainfield High School that is to be constructed in 2006. The estimated tax rate is .1343 based on an assessed value of \$1,062,284,800 and an annual levy of \$1,426,500. This is a controlled project. The Common Construction Wage is applicable and the hearing was held April 1<sup>st</sup> 2005 and passed with a 4-0 vote.

### **Taxpayer Objections:**

The date of publication for a public hearing was February 7<sup>th</sup> 2005. A public hearing was held February 17<sup>th</sup> 2005. An Ordinance was adopted March 14<sup>th</sup> 2005. The Notice of a Preliminary Determination was published February 21<sup>st</sup> 2005. The Auditor Certified No Remonstrance on March 24<sup>th</sup> 2005.

### **Attendance**

The following people attended the hearing: Melvin Daniel (Town Attorney), Andrew A. Kleimer (Town Attorney), Tim Belcher (Town Engineer), Kent McPhail (Town Council), Rich Carlucci (Town Manager) and Loren Matthes (Financial Advisor with H.J. Umbaugh).

### **Discussion**

They are here to discuss a project in the amount of approximately \$17million for road improvements, and a small amount for sewer and drainage improvements. Plainfield is going to build a new high school and to make the site work, they need to re-build some streets. They need to make it easy to access the school, which will be within the City Limits. The chosen site is a very good site for a new school. The roads included in this project are all existing roads that need to be improved for increased traffic, and to construct multiple accesses into the school itself. In the end, this will also provide a service to the community. The goal is to have all this done before the new school opens. (The unit then displayed several topographical maps of the area under discussion and pointed out the roads needing to be improved). The only new road will be one that runs parallel to the school on its east side.

The financial advisor discussed the lease and the tax rate impact on a typical homeowner. There was no remonstrance. Plainfield has a large tax base and so the tax impact is negligible. The School Corp. has held numerous meetings and the community is in support of the plans.

Questions by the Board:

Dan: The tax rate increases from five cents in the first year to thirteen cents in the second year, is that because the first payment will be paid from capitalized interest?

Answer: That is because the first payment will be a partial payment.

Rich: Have there been any public comments?

Answer: No one showed up at any of the meetings.

### **Recommendation**

Richard Eckerle motioned to recommend approval to execute a lease with maximum annual lease rental payments in the amount of \$1,585,000 for a term not to exceed twenty (20) years. Dan Eggermann seconded and the motion carried 4-0.

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### **Newcastle Township, Fulton County Fire Apparatus and Building Loan**

The unit is requesting approval to obtain a loan in the amount of \$40,000 for a term of six (6) years. Proceeds of the loan will be used to purchase a fire truck along with two other townships, the Town of Mentone, and the Mentone Fire Department. The anticipated tax rate is .0186 based on an assessed value of \$44,516,145 and an annual levy of \$8,256. The Fire Marshall's Office determined that the type and cost of equipment is reasonable.

### **Taxpayer Objections:**

The date of publication for a public hearing was June 21<sup>st</sup> 2004. A public meeting was held and a resolution adopted on July 6<sup>th</sup> 2004. The Notice of Determination was published July 12<sup>th</sup> 2004. The Auditor Certified No Remonstrance on September 10<sup>th</sup> 2004.

### **Attendance**

The following people attended the hearing: Linda Erp (Trustee).

### **Discussion**

Because of insurance reasons, our fire service is provided via a contract with other taxing units – Harrison Township in Kosciusko County, the City of Mentone in Kosciusko County and the Tri-County Fire Department in Kosciusko and Fulton Counties. The Mentone fire department wants to purchase a new fire truck and my portion is approximately \$40,000. This process began last year, but because of health problems, I am just now able to complete what was started last June.

Questions by the Board:

Rich: Who will own the truck – will your name show up in the title?

Answer: We will have partial ownership. Our contract, which is for forty years, states that everything is owned jointly. We are getting ready to sign another contract, it is the attorney's hands right now, but we made sure that all equipment is to be owned jointly.

James: What is the size of Mentone fire department?

Answer: There are twenty-seven firefighters that serve a population of around 3,000.

James: Are the firefighters all paid staff?

Answer: No, they are all volunteers. We do have \$26,000 in our Cum. Fire fund to help make the payment.

### **Recommendation**

Dan Eggermann motioned to recommend approval to obtain a fire apparatus and equipment loan in the amount of \$40,000 for a term not to exceed six (6) years. Pat McGarvey seconded and the motion carried 4-0.

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### **Utica Township Fire District, Clark County Installment Conditional Sales**

The unit is requesting approval obtain a loan in the amount of \$395,000 for a term not to exceed six (6) years. Proceeds of the loan will be used to purchase a used fire truck and to build a small fire station. The estimated tax rate is .0401 based on an assessed value of \$174,000,000 and an annual levy of \$69,841. This is an uncontrolled project. The Common Construction Wage is not applicable because construction costs are less than \$150,000.

### **Taxpayer Objections:**

The date of publication for a public hearing was January 3<sup>rd</sup> and 10<sup>th</sup> 2005. A public hearing was held and a resolution adopted on January 19<sup>th</sup> 2005. The Notice of Determination was published January 25<sup>th</sup> 2005. The Auditor Certified No Remonstrance on March 4<sup>th</sup> 2005.

### **Attendance**

The following people attended the hearing: Frank Cummings (Consultant), Jamey Noel (Fiscal Officer) and William L. Noel (Member).

### **Discussion**

We would like to issue a \$395,000 bond in order to purchase a used fire truck and to build a small fire station to house the truck. We have tried to keep the construction cost to the bare bones minimum. There has been no opposition to our plans. The design of the building allows for future expansion if needed.

Questions by the Board:

James: Is there a guarantee on the used truck?

Answer: Only a thirty day one. Within that time, we will have the truck inspected.

James: How old is the truck?

Answer: It is a 1995 model. They are keeping the building costs to less than \$150,000 so that they did not have to go through the Common Construction Wage process.

Rich: Is the Public well aware of what you are doing?

Answer: We have held at least two meetings, plus one for the additional appropriation.

Rich: You have had no opposition?

Answer: No, nor was there a remonstrance filed.

James: How many pieces of equipment do you own?

Answer: Two pumper trucks and a 1984 snorkel.

Rich: What is the cost of the used fire truck?

Answer: It is \$250,000.

Rich: Do you think that is a fair price?

Answer: Yes, from my research on the Internet, the price is similar to others available on the web.

Dan: Is this building going to be a new fire station?

Answer: Yes. They received a grant in 1994 to relocate the fire station because it was in a flood plain and was constantly being flooded. Now they need to build a second fire station.

## **Recommendation**

Richard Eckerle motioned to recommend approval to obtain a loan in the amount of \$395,000 for a term not to exceed six (6) years. Dan Eggermann seconded and the motion carried 4-0.

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### **City of Goshen, Elkhart County Tax Increment Revenue Bonds**

The Redevelopment Commission is requesting approval to issue bonds in the amount of \$6,000,000 for a term of twenty (20) years. Proceeds of the bonds will be used for road construction, land acquisition for right-of-way, intersection improvements/reconstruction in area(s) with high economic growth currently and in the future. The estimated tax rate, should tax increment revenue become insufficient, is .0494 based on an assessed value of \$999,417,120 and an annual levy of \$493,245. This is an uncontrolled project due to the unit asking for property tax backup consideration only. The Common Construction Wage is applicable and the hearing was held on March 10<sup>th</sup> 2005 and passed with a 3-0 vote.

### **Taxpayer Objections:**

A Public Hearing and resolution was adopted on March 8<sup>th</sup> 2005. The Notice of Determination was published March 14<sup>th</sup> and 21<sup>st</sup> 2005. The Auditor certified No Remonstrance on April 12<sup>th</sup> 2005.

### **Attendance**

The following people attended the hearing: Robert W. McCoig 3<sup>rd</sup> (Director of Public Works), Lisa A. Lee (Bond Counsel with Ice Miller) and Richard Treptow (Financial Advisor with H.J. Umbaugh and Associates).

### **Discussion**

They joined the Chamber of Commerce in 2004. There have been 800 new jobs created, most of them in the TIF area. All of the projects listed are in the five-year master plan. There are three TIF areas and these projects have been identified as priority. Their bi-partisan City Council unanimously approved the issuance of bonds to complete the listed projects. Elkhart County is partnering with them in at least four of the seven projects. Two of the partnerships projects already have signed agreements. They have applied for and received federal grants for two of the projects. The County had delegated jurisdiction of the Keystone II TIF area over to the City. Some of the TIF area is currently outside of the City limits. They expect that within the next four to five years, all the TIF area will be within the City limits.

Lisa Lee: From a legal perspective, as long as the improvements affect the TIF area, the money from the TIF area can be used for areas outside the TIF limits.

Questions by the Board:

Rich: Has there been any opposition?

Answer: None or very little.

Pat: Who will be responsible for the maintenance of the TIF area?

Answer: We will share maintenance with the County.

Lisa Lee: There is quite a bit more growth than what was accounted for in the revenue coverage page. That will only add to the revenue available to cover the debt payments.

### **Recommendation**

Pat McGarvey motioned to recommend approval to issue bonds in the amount of \$6,000,000 for a term not to exceed twenty (20) years for property tax back-up only. Rich Eckerle seconded and the motion carried 4-0.

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### **Independence Hill Conservancy District, Lake County General Obligation Bonds**

The unit is requesting approval to issue bonds in the amount of \$4,900,000 for a term not to exceed twenty (20) years. Proceeds of the bonds will be used for the payment of all or a portion of certain capital improvements, fees and charges owed to the Merrillville Conservancy District per contract, refinancing of existing indebtedness and capital improvements to the sewage works system. The estimated tax rate is .1016 based on an assessed value of \$465,570,800 and an annual levy of \$472,915. This is a controlled project. The Common Construction Wage hearing was held March 7<sup>th</sup> 2005 and passed with a 5-0 vote.

### **Taxpayer Objections:**

The date of publication for a public hearing was February 24<sup>th</sup> 2005. A public hearing was held and a resolution adopted March 8<sup>th</sup> 2005. The Notice of Determination was published February 21<sup>st</sup> 2005. The Auditor Certified No Remonstrance on April 8<sup>th</sup> 2005.

### **Attendance**

The following people attended the hearing: Jim Higgins (Financial Advisor with London Witte Group), Jerimi Ullom (Bond Counsel with Barnes & Thornburg), David McUzelac (Project Manager for the District), Geoffrey Giergi (Attorney for the District) and Joseph C. Svetanoff (Attorney for the District).

### **Discussion**

Their request is for approval to issue general obligation bonds in the amount of \$4.9million. Independence Hill is located in Merrillville and they take care of the sanitation for the southwest corner of the City – approximately seventeen to eighteen thousand residents, plus three hundred commercial businesses. They need to secure different revenues in order to comply with a court

ordered judgment. Their sewage overflow goes into Merrillville and then on to Gary where it is treated. Historically, they have been in disagreement with Merrillville on how much they owe to the City and how much flow they can send to them. Every improvement that Gary or Merrillville makes, they must pay a portion of the costs. After fifteen or twenty years, they have finally reached a permanent agreement with Merrillville on flow and costs. The judgment to settle past years disagreements has finally been reached and judgment offered. The judgment will be accepted once Merrillville knows that the District can pay the judgment. This bond issue will allow them to end a long stand-off. They are also under a Consent Decree with the State of Indiana, issued by the Department of Environmental Management several years ago, to improve their own system. They have met the requirement of the decree, but there are still improvements that need to be made. Raw sewage used to back up in people's basement when it rains, they have taken care of that problem for the most part, but they still do have some problem areas left to fix.

Questions by the Board:

Pat: Is your sewage system separate from the stormwater drains?

Answer: Yes.

Dan: The \$24million in fees you owe to Merrillville, have they ever been budgeted for before?

Answer: Yes, they have. We do not receive the final bill until the end of the year, after the budget process has been finalized. The amount that is in dispute is over and above the amount that we budgeted.

James: Will you need to raise your taxes?

Answer: We are planning on issuing two types of bonds – one taxable and one non-taxable. We are forecasting an increase of ten cents per \$100 of assessed value. Right now we charge a flat rate, but in the future, we are going to go to a meter system. The older section of the District pay \$11 per month, the newer sections, constructed after 1990, pay \$21.74 per month. The reason for the different rates is because there are two different systems with two different flow rates. We are currently in negotiations to finalize a new contract.

Dan: Do you currently have a tax rate?

Answer: Yes, we do.

Dan: It is not listed on page two of the hearing information sheet – did you forget to report that?

Answer: I guess we did not see that and yes, we did overlook reporting that information.

### **Recommendation**

Richard Eckerle motioned to recommend approval to issue general obligation bonds in the amount of \$4,900,000 for a term not to exceed twenty (20) years. Pat McGarvey seconded and the motion carried 4-0.

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**City of Hammond Sanitary District, Lake County  
Special Taxing Unit Bonds**

The unit is requesting approval to issue bonds in the amount of \$24,000,000 for a term of twenty (20) years. Proceeds of the bonds will be used to construct a combined sewer overflow facility. The project is being directed by the United States Environmental Protection Agency (US EPA) to allow the District to comply with clean water standards. The estimated tax rate is .0461 based on an assessed value of \$3,828,285,220 and an annual levy of \$1,766,610. This is a controlled project. The Common Construction Wage is applicable and the hearing was held April 25<sup>th</sup> 2005 and passed with a 5-0 vote.

**Taxpayer Objections:**

The dates of publication for a public hearing were November 29<sup>th</sup> and December 1<sup>st</sup> 2004. A public hearing was held on December 14<sup>th</sup> 2004. The Notice of Determination was published December 21<sup>st</sup> 2004. A resolution was adopted March 15<sup>th</sup> 2005. The Auditor certified No Remonstrance on April 25<sup>th</sup> 2005.

**Attendance**

The following people attended the hearing: John Julien (Financial Advisor with H.J. Umbaugh & Associates), Joe Allegretti (Attorney), Amy Kosnoff (Bond Counsel with Baker & Daniels) and Gabriel Bender (Bond Counsel with Baker & Daniels).

**Discussion**

The sanitary district's wastewater treatment center flows into the Calumet River and then into the Little Calumet River. They have a combined sewer system and are under a federal consent decree to build a \$20million retaining basin to handle sewage overflow. The basin that has been designed will eliminate overflow from three different pumping stations. They also plan to expand the head of the plant to handle a larger flow into the treatment center.

Questions by the Board:

James: Is it an open basin or a structure?

Answer: It is an open basin.

James: Do you handle both residential and industrial waste?

Answer: Yes.

James: Do any of the industrial companies pre-treat the waste themselves before it flows into your treatment center?

Answer: Some, maybe two or three, of the larger ones do.

Rich: You are under a decree from the United States Environmental Protection Agency?

Answer: Yes.

James: Have you held any public hearings?

Answer: Yes, on the engineering side of the project.

James: Do the taxpayers support the plan?

Answer: Taxpayer support is pretty good – they want to see the river cleaned up.

### **Recommendation**

Dan Eggermann motioned to recommend approval to issue bonds in the amount of \$24,000,000 for a term not to exceed twenty (20) years. Rich Eckerle seconded and the motion carried 4-0.

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### **Town of Winfield, Lake County General Obligation Bonds**

The unit is requesting approval to issue bonds in the amount of \$1,300,000 for a term not to exceed ten (10) years. Proceeds of the bonds will be used for the -repair and/or rehabilitation of 109<sup>th</sup> Ave. and the repair, maintenance and/or resurfacing of other public roads within the Town. The estimated tax rate is .0773 based on an assessed value of \$201,654,900 and an annual levy of \$155,946. This is an uncontrolled project. The Common Construction Wage is applicable and the hearing was held April 25<sup>th</sup> 2005 and passed with a 5-0 vote.

### **Taxpayer Objections:**

No information has been received concerning the date of publication for a public hearing, or the date of a public hearing. A resolution was adopted March 31<sup>st</sup> and April 19<sup>th</sup> 2005. A Notice of Determination was published on April 4<sup>th</sup> and 12<sup>th</sup> 2005. The Auditor certified No Remonstrance on April 27<sup>th</sup> 2005.

### **Attendance**

The following people attended the hearing: Pattie Zelmer (Bond Counsel with Ice Miller), Williams D. Teach (President of the Town Council), Richard C. Anderson (Clerk Treasurer), John Julien (Financial Advisor with H. J. Umbaugh & Associates) and Susan Reed (Bond Counsel with Ice Miller).

### **Discussion**

The Town was incorporated in September of 1993. About thirty years ago, the County put in a road and it has now deteriorated. The road supports a growing number of vehicles per day and there are safety issues cropping up because of the condition of the road. There have been a lot of damaged vehicles – flat tires, bent frames, etc. The population of Winfield is only 3,000, so most of the traffic is coming from the surrounding areas. Their tax base is not large enough to support an increase in taxes. They need to rebuild a three-mile stretch of road, including replacing the base. They have already spent a considerable amount of money trying to fix the potholes without any success.

Questions by the Board:

James: Does the Town Board support your request?

Answer: Yes – I am one member of the Town Board and the other two are in agreement with me. It will take seven to eight years to get all the funds necessary to complete the big project.

Rich: Will this be wasted money then when you do the big project? Will you have to tear up this part in order to complete the other?

Answer: No, this project will buy us seven or eight years, but we will not come back later and rip it all up in order to do the big project.

James: Does the public support your plans also?

Answer: Yes, we have received good support from the public and the newspapers have treated it favorably. We informed our taxpayers that it would increase their taxes ninety to ninety-five dollars per year.

### **Recommendation**

Dan Eggermann motioned to recommend approval to issue general obligation bonds in the amount of \$1,300,000 for a term not to exceed ten (10) years. Pat McGarvey seconded and the motion carried 4-0.

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### **City of Lake Station, Lake County General Obligation Bonds**

The unit is requesting approval to issue bonds in the amount of \$1,500,000 for a term not to exceed twenty (20) years. Proceeds of the bonds will be used for capital improvements for all the cities parks and facilities, including pool and bathhouse renovations, removal and installation of new playground equipment, and citywide park improvements. The estimated tax rate is .0443 based on an assessed value of \$252,670,716 and an annual levy of \$112,025. This is an uncontrolled project. The Common Construction Wage is applicable and the meeting was held April 4<sup>th</sup> 2005 and passed with a 5-0 vote.

### **Taxpayer Objections:**

No information has been received concerning the date of publication for a public hearing, or the date of a public hearing. An unsigned resolution was submitted. A Notice of Determination and an Auditor's Certificate of No Remonstrance has not been received.

### **Attendance**

The following people attended the hearing: John Julien (Financial Advisor with H. J. Umbaugh and Associates), Shirley Wadding (Mayor), Ray Szamach (Attorney), Brian Nicholas (Park Superintendent), Rose Zulick (Citizen representing the Park) and Phil Faccenda (Bond Counsel with Barnes & Thornburg).

## **Discussion**

They are requesting approval of a \$1.5million general obligation bond issue to fund several park improvements. One of the projects is to replace a dilapidated thirty-two year old pool and pool house. Another project is to replace thirty to forty-five year old playground equipment. The pool is falling in on itself and it is a heavily used pool. They will also need to replace the bathhouse. They have received playground equipment donated by Gary Steel, and once it is installed, they will come into compliance with playground safety standards. They would like to have both of these projects completed by the time next year's season opens.

Questions by the Board:

James: Was there a remonstrance?

Answer: No, because of the condition of the pool and playground equipment, the people are in support of the plans.

Pat: What is the population of Lake Station?

Answer: Around 45,000 people.

Rich: Do you charge fees to use the pool or the parks?

Answer: There is a fee for the pool, residents pay a lower fee.

James: How is business?

Answer: There is a growing use of the parks. Once the pool is replaced, we expect attendance to increase there also.

Dan: Do you have a Rainy Day fund?

Answer: Yes, it has approximately \$10,000 to \$15,000 in it right now. We established it seven or eight months ago and have targeted about \$200,000 available to transfer into the fund.

Rich: Is the pool project \$1.2million and the playground equipment the other \$300,000?

Answer: Yes.

## **Recommendation**

Richard Eckerle motioned to recommend approval to issue general obligation bonds in the amount of \$1,500,000 for a term not to exceed twenty (20) years. Pat McGarvey seconded and the motion carried 4-0.

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### **Lake Station Sanitary District General Obligation Bonds**

The unit is requesting approval to issue bonds in the amount of \$5,500,000 for a term of ten (10) years for the purpose of paying a Federal Judgment awarded to the Gary Sanitary District. The estimated tax rate is .2592 based on an assessed value of \$252,670,716 and an annual levy of

\$654,845. This is an uncontrolled project because it is federally mandated. The Common Construction Wage is not applicable.

### **Taxpayer Objections:**

No information has been received concerning the date of publication for a public hearing, or the date of a public hearing. A Resolution was adopted April 7<sup>th</sup> 2005. A Notice of Determination and an Auditor's Certificate of No Remonstrance has not been received.

### **Attendance**

The following people attended the hearing: John Julien (Financial Advisor with H. J. Umbaugh and Associates), Shirley Wadding (Mayor), Ray Szamach (Attorney), Dan Indrysek (Commissioner of the Sanitary District) and Phil Faccenda (Bond Counsel with Barnes & Thornburg).

### **Discussion**

They are requesting approval for a \$5.5million judgment bond. They are a user of the Gary Sanitary District. They have received a litigation agreed judgment within the last two days. In 1982 they entered into a contract with the Gary Sanitary District that established a fee of thirty-nine cents to treat 1,000 gallons of sewage per day. That contract lasted twenty years. The United States Environmental Protection Agency filed a lawsuit against the Gary Sanitary District over the fee structure and for non-compliance. In 1994, the Gary Sanitary District entered into an agreement to clean up their act and charge fees proportionately. That judgment made our contract with them null and void. A proportionate share of fees is the law of the land and we need to comply with that law. We owe the Gary Sanitary District \$7million, but they agreed to settle for \$5.5million. We intend to pay off that debt through an increased tax rate and an increase in user fees. Our intention is to have an increased tax rate for one, maybe two years. After that, we expect the increased revenue from user fees to be able to cover the bonds. An increase in user fees will replace our dependency on taxes. (The unit submitted a copy of the Agreed Judgment Order from the Lake Superior Court).

Questions by the Board:

Dan: How will the Department of Local Government Finance know when you will no longer need a tax rate?

Answer: When we work our budget in the fall, we will base it on user fees on hand in June.

### **Recommendation**

Richard Eckerle motioned to recommend approval to issue general obligation bonds in the amount of \$5,500,000 for a term not to exceed ten (10) years. Dan Eggermann seconded and the motion carried 4-0.

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